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DISTRIBUTION, INC.

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February 29, 2000



Surface Transportation Board Office of the Secretary Care Control Unit, Attn: STB ExParte #582 1952 K Street Washington, DC 20423-0001

Gentlemen:

Network Distribution of Dallas is a small company in the Dallas/Ft. Worth, Texas area. We operate several facilities and employ approximately 35 people with annual revenues in the \$4-5 million dollar range.

Network Distribution interacts on a daily basis with area railroads and has done so for many years. Railroad consolidations have had a tremendously poor result on both our revenue levels, as well as our ability to service our customer needs. Tracing, transit, spotting and general information issues during railroad consolidation efforts are poor, at best. The horror stories of poor performance during railroad consolidations are well documented throughout most industries.

As the railroads consolidate they should be hold to strict standards that will not have the devastating effects on national economic transportation issues. Railroads are a viable alternative in today's distribution environment, however, the utility company mentality of "we are working on the problem and will fix it as soon as we can" should **not** be allowed.

If the consolidation is in place and the transition can be completed without economic short falls – fine. If the railroads create the economic shortfalls they should be held liable.

Thank you for your time.

Sincerely,

4K. K. Frasier President